

## 2024 SESSION OPPOSITION TESTIMONY HB1434: Restoration of Benefits

BILL: HB1434: Department of Human Services - Electronic Benefits Transfer Cards - Restoration of

**Benefits** 

**COMMITTEE:** Appropriations

**POSITION:** Testimony in opposition to HB1434

**BILL ANALYSIS:** Authorizing, rather than requiring, the Department of Human Services to reimburse a beneficiary for any benefits lost due to the fraudulent use of the beneficiary's Electronic Benefits Transfer card and restore the benefits without further action from the household; and requiring the Department to reimburse a beneficiary on or before December 31, 2025, for any benefits lost due to the fraudulent use of the beneficiary's Electronic Benefits Transfer card that occurred between January 1, 2021, and September 30, 2024, both inclusive.

Dear Chair Barnes and members of the Appropriations Committee:

The Montgomery County Food Council (MCFC) urges an **unfavorable report** for this bill. The passage in 2023 of mandatory SNAP theft reimbursement was a critical measure to protect Maryland residents who lost their much-needed benefits due not to their own action, but rather to the criminal acts of others and inadequate security measures on EBT cards. Enacting HB 1434, which will make future reimbursement contingent on political budgetary processes rather than the needs of benefit recipients, is a step backwards for the State of Maryland and its most vulnerable citizens.

As an authorized SNAP outreach agency for the state of Maryland, MCFC has heard first-hand about the impact that SNAP theft has had on residents, who often learn their benefits are stolen as they stand in line at the check-out counter hoping to buy food for their families. Maryland was a national leader in passing legislation to ensure these families were made whole, and with great success. According to Maryland Hunger Solutions, over \$20 million in stolen benefits have been reimbursed to over 31,000 households, proving that the current law is necessary to reduce food insecurity across the State and to correct

inequities leading to the disproportional impact of SNAP theft on Black individuals <sup>1</sup>

Unless and until serious progress is made in securing SNAP benefits using standard and readily available technology, dedicated funding for SNAP theft reimbursement must continue. Implementation of additional security measures, like chipped cards, has been delayed, leaving SNAP recipients with no means of protecting themselves effectively. It is important to maintain the current law to ensure residents continue to have access to all of their entitled benefits. Not doing so would increase an already unsustainable burden on community based organizations providing food, housing and other financial assistance.

As currently written this legislation would make the reimbursement of benefits conditioned on availability of funding and does not require a minimum annual appropriation to ensure funds for reimbursement. If no funds are appropriated, or when the available funds are exhausted, the Department of Human Services would deny valid claims for reimbursement of stolen funds. Enacting this legislation will increase food insecurity, cause harm to Maryland residents, and undo legislation that has been effective and viewed as a model for other states. For these reasons, the Montgomery County Food Council opposes House Bill 1434 and urges an unfavorable report for this bill.

The Montgomery County Food Council is a nonprofit organization that serves as the primary connection point for businesses, nonprofits, government agencies, and residents around food system issues in our County. We bring together over 2,000 local and regional partners in community-wide education, advocacy, and capacity building initiatives. Our work cultivates a more resilient, sustainable, and equitable local food system by enhancing food access for the over 100,000 at risk for hunger, expanding food education opportunities for all residents, supporting our County's farms and food and beverage businesses, and addressing the impact of local food production, distribution, consumption and recycling on our natural resources

For more information, please contact Michelle Caruso, Director of Policy and Partnerships at the email and phone number below.

<sup>&</sup>lt;sup>1</sup> Oppose HB1434, Maryland Hunger Solutions